TICKTIN AND THE ECONOMICS OF SOCIALISM

A major aspect of Ticktin's understanding of the possibility of socialism is that it already represents a process that is occurring within capitalism: “Socialism comes into being because the basis of it already exists within capitalism. In other words, the socialisation of the means of production actually starts to exist within capitalism.”(1) We may agree with this comment in general terms, and agree that aspects of the existing economy are already based on planning and rational allocation of resources. But the problem, which Ticktin refuses to address, is the question of how this potentiality is realised in terms of the actual creation of socialism. Ticktin considers that we are in a transitional period between capitalism and socialism, but this understanding does not explain how this prospect of advance is to be made effective. Hence he seems to neglect two important things. Firstly, given that capital is still dominant over labour within the relations of production, this means the capitalist system will continue to be perpetuated. Consequently any tendency expressing the decline of capitalism is contrasted to the continued ability of the present social formation to oppose the prospect of transformation of the economic system. The domination of capital within the economy represents the aspect that undermines any progressive generation of change in terms of the impulse for socialisation. Secondly, the prospect of change to socialism requires successful class struggle. But we know that this potential is presently undermined by the weakness and limitations of Marxist organisations, and the influence of bourgeois ideology within the working class. Hence there is a low level of class consciousness because of the successful offensive of capital over the past forty years. This situation has led to alienated discontent which expresses itself in terms of support for nationalism. Thus the political situation is not as favourable as the economic in relation to the tendencies for the realisation of socialism.

In other words Ticktin's perspective relies on automatic impulses from the economy in order to justify the possibility of change. His approach is not based on the dynamics of the class struggle which is the primary basis for understanding whether transformation to socialism can occur. Instead of any analysis of the relationship of the class struggle to the prospect for socialism, Ticktin contends the system is malfunctioning and is in a crisis: “And, as I have argued, it is a crisis from which there appears to be no end, except via socialism.”(2) This standpoint denies the unexpected and uncertain aspects of historical events, and instead effectively argues that there is an inevitable outcome to the contradictions of capitalism, which is socialism. However, the uncertainties of the class struggle, which has led to the terrible victories of fascism, the ascendency of the USA, the downfall of Stalinism, and defeats of many popular mass struggles, cannot be considered in these evolutionist terms. Instead we know that without the promotion of the militancy of the working class, the creation of popular organs of democracy and the role of a revolutionary party, the possibility for change will not occur. Capitalism has proved to be the most tenacious system, and has withstood all challenges to its domination. This very rejection by the supporters of capital of any 'logic' to history has meant they defend their system in terms of an apparent eternal condition. (3)

The defenders of capital justify their view on the basis that all other systems are inferior. This provides a sense of superiority, and a motivation that any economic crisis can be resolved on the basis of readjustment rather than transformation and change. The problem is that they generally are able to develop support within the population for this viewpoint. This was why Thatcher was able to achieve electoral victories despite undermining the interests of the working class. Instead of recognising the importance of the role of the political and ideological in upholding the system, Ticktin suggests that: “When a society has entered into decline, in dialectical terms the contradictions cannot be solved.”(4) But even if we agree with Ticktin, that capitalism has entered into decline, this situation will not bring about the demise of the system in some inexorable manner. Instead of accepting the logic of decline the representatives of capital introduce policies, such as austerity, in order to attempt to renew the economic system. These measures may be judged failures, such as the inability to tackle the level of national debt, but the vital point is that the credibility of capitalism is not challenged because few people support the socialist alternative. Instead the effective fact that capital is perceived to be the eternal condition of history means this viewpoint also represents a situation of ideological hegemony, and ensures that the contradictions of capital can be managed and do not result in serious political discontent. Indeed, it can argued that lack of understanding of socialism means that any discontent is expressed in terms of nationalism, as occurred at the time of the BREXIT vote.

Consequently, whilst Michael Roberts can outline how capitalism is being effected by a depression based on the role of the falling rate of profit, he cannot also establish how this situation can be resolved in a progressive manner, and instead in a sober manner he comments: “So much depends on the development of the class struggle between labour and capital over the appropriation of the value created by the productivity of labour. Clearly labour has been losing that battle, particularly in recent decades, under the pressure of anti-union laws, ending of employment protection and tenure, the reduction of benefits, a growing reserve army of unemployed and underemployed, and the globalisation of manufacturing.”(5) Hence in his concluding remarks, Roberts makes the important comment that: “Capitalism will not just collapse of its own accord. Crisis and even a breakdown are endogenous because of the main contradiction within the capitalist mode of production, of accumulation for profit and not need. But also it is possible for capitalism to recover and..... to allow for a new period of rising profitability.”(6) Thus: “Capitalism can only be replaced by a new system of social organization through conscious action of human beings, in particular by the majority of people (the working class globally)” (7)

In other words only the interaction of economic tendencies and class struggle can promote change. But it is also necessary to indicate that the very progress of class struggle can continually be undermined by ideology and the acute problem of indifference to politics within the population. This means the relationship of the economic to the political is very complex, there is no direct connection that means society 'should' change in accordance with a situation of decline. But instead of recognition of the present ideological hegemony of capital, and the lack of a popular alternative, Ticktin comments that: “It was Preobrazhensky who put forward the concept that we are living in a transitional period, in which there would be conflict between planning and the market. He was referring to the Soviet Union, of course, at that time, but this applies to the whole world today. Although there is no general push for planning, that is what is happening in any case.”(8) This comment indicates that Ticktin substitutes the role of economic aspects of capitalism as an alternative in place of the importance of labour concerning transforming the system. In this manner he can gloss over the political complications of analysing the complexity of the role of the subjective factor. The problem is that whilst he can effectively indicate the importance of planning for capital accumulation, he cannot outline its transitional qualities. What is required is for planning to become an expression of the aspirations of the working class. Only then will it acquire a truly transitional quality. Instead of indicating the connections between labour, planning, and the transition to socialism, Ticktin considers that the bureaucratic apparatus, as in the USSR, has this dynamic character. But the point is that unless we outline the connection between labour to economic rationality and organisation, it can always be argued, as with Adam Smith, that capital is the most dynamic aspect of the productive forces. Surely the actual character of the USSR was that it was not transitional to socialism unless the working class effectively seized control of the factories and workplaces. What is absent in Ticktin's conception is an agency of social transformation, which is the role of labour!

Ticktin outlines his view that market socialism is impractical and unrealistic, but then has to admit that: “But by 1921 the Bolsheviks retreated and reintroduced the market. It is quite obvious that you cannot make the jump in one go.”(8) This is precisely the point. Actual practice indicates that the perspective of a transition period aiming to realise socialism cannot do without the market. The Bolsheviks realised this because war communism was a terrible failure, and the seizure of grain from the peasants without providing them with incentives only led to unrest. Hence it was necessary to retreat and allow freedom to trade. The crucial problem, as Trotsky pointed out, was to provide industrial goods at low prices in exchange for agricultural goods. Furthermore, the attempt to end the New Economic Policy with the introduction of forced collectivisation meant the justification of economic adventurism, which was seriously criticised by Trotsky. (9) We know that this attempt to abolish the role of the market was actually about strengthening the domination of the bureaucracy over the control of the surplus product. The point being made is that any serious attempt to introduce socialism should involve the intention not to generate upheaval and uncertainty in the economic process. The advance of popular control over the economy will go together with the continuation of the market. For example, supermarkets are an excellent means to sell goods roughly in accordance with the role of supply and demand. Their importance will be continued, but on the basis that the influence of labour over the productive process replaces the domination of capital. This development will involve wage increases in order to ensure a more efficient correspondence between supply and demand. Hence the aim will be to increase the efficiency of the market rather than engage in adventurist actions to abolish it.

The point being made is that it is not the market that results in the inability to meet the consumption needs of a population, rather what causes this problem is the importance of disparities in economic power and inequality in terms of the levels of material wealth. We have to tackle these issues if we are to establish a democratic socialist society. Hence the aim of overcoming the influence of capital within the relations of production is compatible with the continuation of the role of the market. The market becomes no longer an expression of the imperatives of capital accumulation, and is instead connected to the egalitarian aims of the socialist economy under workers control. Ticktin does not endorse this argument because he has been brought up on the dogma that socialism advances alongside the abolition of the market. If he really wants to incorporate the progressive advances of capitalism within socialism he will recognise that one of these advances is the role of the market. This has encouraged the development of relative consumer prosperity within the advanced capitalist countries. Hence to end the role of the market in the name of dogma would be to introduce uncertainty and establish the possibility of a shortage economy.

FOOTNOTES:

(1)Hillel Ticktin: The Period of Transition, Weekly Worker October 6th 2016 number 1125 p6

(2) ibid p7

(3)F.A. Hayek: The Constitution of History, Routledge, London, 2006, p21-35

(4)Michael Roberts: The Long Depression, Haymarket books Chicago 2016 p260

(5) ibid p270

(6) ibid p270

(7)Ticktin op cit p7

(8) ibid p7

(9)Leon Trotsky: The Soviet Economy in Danger, in Selected Writings 1932, Pathfinder Press New York 1973 p258-284